

STATE OF MINNESOTA

EIGHTY-THIRD SESSION — 2004

 ONE HUNDRED THIRD DAY

SAINT PAUL, MINNESOTA, THURSDAY, MAY 6, 2004

The House of Representatives convened at 10:00 a.m. and was called to order by Steve Sviggum, Speaker of the House.

Prayer was offered by the Reverend Lonnie E. Titus, House Chaplain.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Demmer	Hilty	Lenczewski	Ozment	Solberg
Abrams	Dempsey	Holberg	Lesch	Paulsen	Stang
Adolphson	Dorman	Hoppe	Lieder	Paymar	Strachan
Anderson, B.	Dorn	Hornstein	Lindgren	Pelowski	Swenson
Anderson, I.	Eastlund	Howes	Lipman	Penas	Sykora
Anderson, J.	Eken	Huntley	Magnus	Peterson	Thao
Atkins	Entenza	Jacobson	Mahoney	Powell	Thissen
Beard	Erhardt	Jaros	Marquart	Pugh	Tingelstad
Bernardy	Erickson	Johnson, J.	McNamara	Rhodes	Urdahl
Biernat	Finstad	Johnson, S.	Mullery	Rukavina	Vandever
Blaine	Fuller	Juhnke	Murphy	Ruth	Wagenius
Borrell	Gerlach	Kahn	Nelson, C.	Samuelson	Walker
Boudreau	Goodwin	Kelliher	Nelson, M.	Seagren	Walz
Bradley	Greiling	Klinzing	Nelson, P.	Seifert	Wardlow
Buesgens	Gunther	Knoblach	Newman	Sertich	Wasiluk
Carlson	Haas	Koenen	Nornes	Severson	Westerberg
Cornish	Hackbarth	Kohls	Olsen, S.	Sieben	Westrom
Cox	Harder	Kuile	Opatz	Simpson	Wilkin
Davids	Hausman	Lanning	Osterman	Slawik	Zellers
Davnie	Heidgerken	Larson	Otremba	Smith	Spk. Sviggum
DeLaForest	Hilstrom	Latz	Otto	Soderstrom	

A quorum was present.

Lindner, Meslow and Olson, M., were excused.

Brod was excused until 10:50 a.m. Krinkie was excused until 11:20 a.m. Mariani was excused until 11:25 a.m. Dill and Ellison were excused until 1:45 p.m. Clark was excused until 2:20 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Hoppe moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

REPORTS OF CHIEF CLERK

S. F. No. 1384 and H. F. No. 3065, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Pugh moved that S. F. No. 1384 be substituted for H. F. No. 3065 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1530 and H. F. No. 1593, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Strachan moved that the rules be so far suspended that S. F. No. 1530 be substituted for H. F. No. 1593 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2231 and H. F. No. 2275, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Biernat moved that the rules be so far suspended that S. F. No. 2231 be substituted for H. F. No. 2275 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2455 and H. F. No. 2653, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Howes moved that S. F. No. 2455 be substituted for H. F. No. 2653 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES

Hackbarth from the Committee on Environment and Natural Resources Policy to which was referred:

H. F. No. 2986, A bill for an act relating to natural resources; requiring permits to be issued for a taconite pellet production facility.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [ENVIRONMENTAL REVIEW; IRON NUGGET PRODUCTION SCALE DEMONSTRATION FACILITY EXEMPTION.]

(a) The first iron nugget production scale demonstration facility that meets all of the criteria in this section shall be exempt from environmental review under Minnesota Statutes, chapter 116D and Minnesota Rules, chapter 4410. The qualifying project must:

(1) be the first iron nugget production scale demonstration facility in Minnesota;

(2) involve a single rotary hearth furnace of maximum outside diameter of 60 meters;

(3) be located outside the area adjacent to the north shore of Lake Superior classified as the lake orientation zone in the Department of Natural Resources report entitled "North Shore Characterization Study"; and

(4) have complete permit applications submitted to the appropriate state agencies in calendar year 2004 for all permits required to construct and operate the facility.

(b) The Department of Natural Resources, the Environmental Quality Board, the Pollution Control Agency, and any other state agency with applicable permit-granting authority shall provide public notice for any necessary permits for the iron nugget production scale demonstration facility within four months of receiving complete applications.

(c) If the first iron nugget production scale demonstration facility to qualify for this exemption is proposed at a stationary source that has permitted taconite pellet furnaces, permanent shutdown of those pellet furnaces, prior to start-up of the iron nugget production scale demonstration facility, shall be a requirement in the iron nugget production scale demonstration facility air quality permit. The shutdown of these furnaces shall not be creditable in calculating the "net emissions increase," as defined in Code of Federal Regulations, title 40, section 52.21, for this project.

(d) The Pollution Control Agency shall strive in the permitting process to assure the lowest mercury emissions reasonably possible.

(e) Permit applications must comply with applicable law, except that an iron nugget production scale demonstration facility that meets the criteria in this section is exempt from environmental review under Minnesota Statutes, chapter 116D and Minnesota Rules, chapter 4410, and the company is not required to perform an environmental review before permits are issued for the iron nugget production scale demonstration facility.

(f) The construction and operation of the iron nugget production scale demonstration facility will demonstrate whether the technology is technically and economically feasible at this larger scale. Environmental data from the operation of the iron nugget production scale demonstration facility may be used in the environmental review and permitting of commercial scale facilities built elsewhere in Minnesota.

(g) The exemption does not affect any existing permit requirement that may require environmental review for a commercial scale iron nugget facility at an existing taconite facility located within the area adjacent to the north shore of Lake Superior classified as the lake orientation zone in the Department of Natural Resources report entitled "North Shore Characterization Study."

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to natural resources; granting certain temporary exemptions for an iron nugget production scale demonstration facility."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1384, 1530, 2231 and 2455 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House File was introduced:

Lieder; Anderson, I.; Magnus; Wardlow and Anderson, B., introduced:

H. F. No. 3192, A resolution memorializing the President of the United States and Congress to provide increased benefits to members of the National Guard and other Reserve Components of the United States Armed Forces who are engaged in the nation's Global War on Terrorism.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1851, A bill for an act relating to bridges; deleting requirement for Regional Development Commission or Metropolitan Council approval of projects funded from state transportation fund; repealing Minnesota Statutes 2002, section 174.50, subdivision 4.

H. F. No. 1898, A bill for an act relating to highways; repealing requirement that designation of natural preservation routes on county state-aid highways be reviewed by advisory committee; amending Minnesota Statutes 2002, section 162.021, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 2005, A bill for an act relating to the environment; extending the restriction on phosphorus use in fertilizers; amending Minnesota Statutes 2002, section 18C.60, subdivision 2.

H. F. No. 2103, A bill for an act relating to real property; local planning and zoning; authorizing municipalities to require the dedication of land for public purposes; providing certain terms and conditions for the dedication; amending Minnesota Statutes 2002, section 462.358, subdivision 2b, by adding a subdivision; Minnesota Statutes 2003 Supplement, section 462.353, subdivision 4.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2235, A bill for an act relating to unemployment insurance; modifying definitions; making technical, housekeeping, and policy changes; modifying penalty provisions; amending Minnesota Statutes 2002, sections 176.011, subdivision 20; 268.035, subdivisions 3, 8a, 12a, 17, 20, 23a, 28, by adding a subdivision; 268.043; 268.044, subdivisions 2, 3, 4; 268.051, subdivisions 4, 7; 268.0511; 268.053, subdivision 2; 268.057, as amended; 268.058, as amended; 268.059, subdivision 3; 268.0625, as amended; 268.064, subdivisions 1, 3; 268.065, subdivisions 1, 2; 268.07, subdivisions 1, 3; 268.085, subdivisions 2, 12, 13a, 14; 268.095, subdivisions 4, 6a; 268.101, subdivisions 2, 4; 268.103; 268.105, as amended; 268.115, subdivision 5; 268.125, subdivision 5; 268.135, subdivisions 1, 2, 4; 268.145, subdivision 1; 268.18, subdivisions 2b, 6; 268.182; 268.184; Minnesota Statutes 2003 Supplement, sections 268.035, subdivision 15; 268.042, subdivisions 1, 3; 268.044, subdivisions 1, 1a; 268.045; 268.047, subdivision 5; 268.051, subdivisions 1, 1a, 3, 5, 6; 268.052, subdivisions 1, 2; 268.053, subdivisions 1, 3; 268.059, subdivision 1; 268.063; 268.066; 268.067; 268.0675; 268.07, subdivision 2; 268.085, subdivisions 1, 3, 4, 5, 6; 268.095, subdivisions 1, 3; 268.101, subdivisions 3, 3a; 268.18, subdivisions 1, 2; 268.186; 268.19, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 268.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2270, A bill for an act relating to official publications; changing provisions for publication of public notices in newspapers; requiring a report; amending Minnesota Statutes 2002, sections 279.09; 279.092; 331A.01, subdivisions 2, 3, 6, 9, 10; 331A.02, subdivisions 1, 3, 4, by adding a subdivision; 331A.03, subdivision 1, by adding a subdivision; 331A.04, as amended; 331A.05, subdivisions 3, 4, 5, 7, by adding a subdivision; 331A.06,

subdivision 3, by adding a subdivision; 331A.07; 331A.08, by adding a subdivision; 331A.09; 331A.10, subdivision 1; 331A.11, subdivisions 1, 2; 375.12, subdivision 2; 375.17, subdivision 1; 412.191, subdivision 3; 471.698, subdivision 1; repealing Minnesota Statutes 2002, sections 331A.01, subdivision 5; 331A.02, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 1425, A bill for an act relating to judgments; regulating stays of execution on money judgments; limiting bond amounts; amending Minnesota Statutes 2002, section 550.36.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Holberg moved that the House concur in the Senate amendments to H. F. No. 1425 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1425, A bill for an act relating to judgments; regulating stays of execution on money judgments; limiting bond amounts; amending Minnesota Statutes 2002, section 550.36.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 111 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Holberg	Lipman	Pelowski	Stang
Adolphson	Dempsey	Hoppe	Magnus	Penas	Strachan
Anderson, B.	Dorman	Hornstein	Mahoney	Peterson	Swenson
Anderson, I.	Dorn	Howes	Marquart	Powell	Sykora
Anderson, J.	Eastlund	Jacobson	McNamara	Pugh	Thao
Atkins	Eken	Johnson, J.	Mullery	Rhodes	Thissen
Beard	Entenza	Juhnke	Murphy	Rukavina	Tingelstad
Bernardy	Erhardt	Kelliher	Nelson, C.	Ruth	Urdahl
Biernat	Erickson	Klinzing	Nelson, M.	Samuelson	Vandever
Blaine	Finstad	Knoblach	Nelson, P.	Seagren	Walz
Borrell	Fuller	Koenen	Newman	Seifert	Wardlow
Boudreau	Gerlach	Kohls	Nornes	Sertich	Wasiluk
Bradley	Goodwin	Kuisle	Olsen, S.	Severson	Westerberg
Buesgens	Greiling	Lanning	Opatz	Sieben	Westrom
Carlson	Hackbarth	Larson	Osterman	Simpson	Wilkin
Cornish	Harder	Lenczewski	Otremba	Slawik	Spk. Sviggum
Cox	Heidgerken	Lesch	Otto	Smith	
Davids	Hilstrom	Lieder	Ozment	Soderstrom	
DeLaForest	Hilty	Lindgren	Paulsen	Solberg	

Those who voted in the negative were:

Abrams	Hausman	Jaros	Kahn	Paymar	Walker
Davnie	Huntley	Johnson, S.	Latz	Wagenius	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1803, 2274, 2125, 2620, 2472, 2703, 2154, 2080, 1769, 1973 and 2379.

PATRICK E. FLAHAVEN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 1803, A bill for an act relating to business organizations; enacting and modifying the Uniform Limited Partnership Act of 2001; providing transitional provisions; making conforming changes; regulating the organization, structure, and governance of business corporations, nonprofit corporations, and limited liability companies; appropriating money; amending Minnesota Statutes 2002, sections 5.25, subdivision 1; 302A.011, subdivisions 21, 31, 49, 51, by adding subdivisions; 302A.111, subdivision 2; 302A.115, subdivision 1; 302A.137; 302A.215; 302A.231, subdivisions 4, 6; 302A.401, subdivision 3; 302A.402, subdivision 2; 302A.437, subdivision 1; 302A.441; 302A.471, subdivisions 1, 3; 302A.473, subdivisions 3, 4; 302A.521, subdivision 1; 302A.651, subdivision 1; 302A.661, subdivision 2; 302A.723, subdivision 1; 308A.121, subdivision 1; 317A.011, subdivision 14, by adding a subdivision; 317A.115, subdivision 2; 317A.231, subdivisions 4, 5; 317A.447; 322B.03, subdivisions 36a, 45a; 322B.115, subdivision 2; 322B.12, subdivision 1; 322B.155; 322B.346, subdivision 1; 322B.35, subdivision 1; 322B.383, subdivision 1; 322B.386, subdivisions 3, 4; 322B.40, subdivision 6; 322B.63; 322B.643, subdivisions 4, 6; 322B.77, subdivision 2; 323A.1-01; Minnesota Statutes 2003 Supplement, section 317A.443, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 302A; 322B; proposing coding for new law as Minnesota Statutes, chapter 321; repealing Minnesota Statutes 2002, sections 322A.01; 322A.02; 322A.03; 322A.04; 322A.05; 322A.06; 322A.07; 322A.11; 322A.12; 322A.13; 322A.14; 322A.15; 322A.16; 322A.17; 322A.18; 322A.19; 322A.24; 322A.25; 322A.26; 322A.27; 322A.28; 322A.31; 322A.32; 322A.33; 322A.34; 322A.35; 322A.38; 322A.39; 322A.40; 322A.41; 322A.45; 322A.46; 322A.47; 322A.48; 322A.49; 322A.50; 322A.51; 322A.52; 322A.55; 322A.56; 322A.57; 322A.58; 322A.59; 322A.63; 322A.64; 322A.65; 322A.66; 322A.69; 322A.70; 322A.71; 322A.72; 322A.73; 322A.74; 322A.75; 322A.76; 322A.761; 322A.79; 322A.80; 322A.81; 322A.82; 322A.85; 322A.86; 322A.87; 322A.88.

The bill was read for the first time.

Lipman moved that S. F. No. 1803 and H. F. No. 1824, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2274, A bill for an act relating to zoning; providing certain limitations on municipal interim ordinances; amending Minnesota Statutes 2002, section 462.355, subdivision 4.

The bill was read for the first time.

Buesgens moved that S. F. No. 2274 and H. F. No. 2021, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2125, A bill for an act relating to natural resources; modifying the time that ice houses may be on the ice in certain areas; amending Minnesota Statutes 2002, section 97C.355, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy.

S. F. No. 2620, A bill for an act relating to fire insurance; prescribing certain notice requirements; amending provisions regulating township mutual combination policies; amending Minnesota Statutes 2002, sections 65A.01, subdivision 3c; 67A.191.

The bill was read for the first time.

Brod moved that S. F. No. 2620 and H. F. No. 2777, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2472, A bill for an act relating to natural resources; providing for certain rulemaking exemptions; granting authorities to the commissioner of natural resources; authorizing fees; modifying civil penalties; amending Minnesota Statutes 2002, sections 83A.02; 84.027, by adding a subdivision; 84.029, by adding a subdivision; 84.033; 84.0855, by adding a subdivision; 84.791, subdivision 2, by adding a subdivision; 84.86, subdivision 1; 84.8712, subdivision 2; 84.925, subdivision 1, by adding a subdivision; 84D.13, subdivision 5; 85.052, subdivisions 1, 2, by adding subdivisions; 85.055, subdivision 1a; 85.22, subdivision 3; 86A.05, subdivision 5; 86A.07, subdivision 3; 86A.21; 86B.321, subdivision 2; 86B.521, by adding a subdivision; 88.79, by adding a subdivision; 89.012; 89.018, subdivisions 1, 2, by adding a subdivision; 89.19; 89.21; 89.37, by adding a subdivision; 89.53, subdivision 1; 89.71, subdivision 1; 97A.101, subdivision 2; 97A.133, subdivision 3; 97A.135, subdivision 1; 97A.145, subdivision 1; 97B.015, by adding a subdivision; 97B.025; 103G.223; 103I.601, subdivision 3; 282.01, subdivision 3; Minnesota Statutes 2003 Supplement, sections 84.029, subdivision 1; 84.775, subdivision 1; 84.780.

The bill was read for the first time.

Hackbarth moved that S. F. No. 2472 and H. F. No. 2433, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2703, A bill for an act relating to state employment; modifying state hiring process provisions; adding, modifying, and eliminating definitions; making technical changes; requiring a study and report on the impacts of the political subdivision compensation limit; amending Minnesota Statutes 2002, sections 43A.02, subdivisions 4, 6, 11, 26, 32, 34, by adding subdivisions; 43A.04, subdivisions 3, 4; 43A.05, subdivision 1; 43A.10; 43A.11, subdivisions 5, 7, 8, 9; 43A.15, subdivisions 1, 2, 4, 7, 10, 15; 43A.16, subdivision 1; 43A.191, subdivision 3; 43A.36, subdivision 1; 43A.39, subdivision 1; 197.455; Minnesota Statutes 2003 Supplement, section 43A.15, subdivision 14; proposing coding for new law in Minnesota Statutes, chapter 43A; repealing Minnesota Statutes 2002, sections 43A.02, subdivisions 7, 8, 15, 16, 19, 20, 37; 43A.11, subdivisions 3, 4; 43A.12; 43A.13, subdivisions 1, 2, 3, 4, 5, 6, 8; 43A.15, subdivisions 8, 9, 11; Minnesota Statutes 2003 Supplement, section 43A.13, subdivision 7; Minnesota Rules, parts 3900.3300; 3900.6100; 3900.6300; 3900.6400; 3900.6500; 3900.6600; 3900.7100; 3900.7200; 3900.7300; 3900.7400; 3900.8500; 3900.8600; 3900.8800.

The bill was read for the first time.

Ozment moved that S. F. No. 2703 and H. F. No. 2874, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2154, A bill for an act relating to motor vehicles; requiring reports regarding fuel purchased for use in certain state-owned vehicles; requiring the use of E85 fuel in flexible-fuel vehicles; requiring periodic reports; providing for special license plates for alternative fuel vehicles powered by E85 fuel; directing commissioner of transportation to authorize use of high-occupancy vehicle lanes by E85-fueled vehicles; amending Minnesota Statutes 2002, section 16C.135, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 168.

The bill was read for the first time and referred to the Committee on Governmental Operations and Veterans Affairs Policy.

S. F. No. 2080, A bill for an act relating to health; modifying requirements for outpatient surgical centers; requiring reporting requirements of diagnostic imaging facilities; modifying procedures for the Board of Medical Practice; appropriating money; amending Minnesota Statutes 2002, sections 144.55, subdivisions 1, 2, 3, 5, 6, 7, by adding subdivisions; 144.651, subdivision 2; 144.653, subdivision 4; 144.698, subdivisions 1, 5; 147.091, subdivision 1; 256B.02, subdivision 7; Minnesota Statutes 2003 Supplement, sections 144.7063, subdivision 3; 256L.035; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time.

Boudreau moved that S. F. No. 2080 and H. F. No. 2127, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1769, A bill for an act relating to state government; providing a process for community ownership of the Minnesota Twins; proposing coding for new law as Minnesota Statutes, chapter 4B.

The bill was read for the first time.

Kahn moved that S. F. No. 1769 and H. F. No. 1925, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1973, A bill for an act relating to the public safety radio and communication system; transforming the Public Safety Radio System Planning Committee into the Statewide Radio Board; changing the composition of the Metropolitan Radio Board and providing for the transfer of its responsibilities to a regional radio board and the Statewide Radio Board; providing for the composition and responsibilities of the Statewide Radio Board; providing for establishment of regional radio boards and various advisory committees; allocating responsibility for requesting that the Metropolitan Council sell bonds for construction of the public safety radio and communication system; amending Minnesota Statutes 2003 Supplement, sections 403.21, subdivisions 1, 2, 3, 5, 8, 9, 10, by adding subdivisions; 403.22, subdivisions 1, 2; 403.23, subdivision 3; 403.27, subdivision 1; 403.35; 403.36; proposing coding for new law in Minnesota Statutes, chapter 403; repealing Laws 1995, chapter 195, article 1, section 18, as amended.

The bill was read for the first time.

Holberg moved that S. F. No. 1973 and H. F. No. 2136, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2379, A bill for an act relating to commerce; regulating real estate brokers and salespersons; making various changes in real property law; recodifying the laws and rules regulating these licensees; making technical and conforming changes; amending Minnesota Statutes 2002, sections 58.13, subdivision 1; 58.16, subdivisions 2, 4; 82.17, subdivision 4, by adding subdivisions; 82.19, subdivisions 3, 5, by adding subdivisions; 82.195; 82.196; 82.197; 82.20, subdivisions 3, 4, 8, by adding subdivisions; 82.21, by adding subdivisions; 82.22, subdivisions 6, 8, 12, 13, by adding subdivisions; 82.24, subdivisions 3, 5, by adding subdivisions; 82.27, by adding a subdivision; 513.55, subdivision 1; 513.56, by adding a subdivision; 515B.4-106; 515B.4-108; 559.21, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 82; 325F; 559; repealing Minnesota Statutes 2002, sections 58.02, subdivision 24; 82.22, subdivision 9; Minnesota Rules, parts 2800.0100; 2800.0200; 2800.0300; 2800.1100; 2800.1200; 2800.1300; 2800.1400; 2800.1500; 2800.1600; 2800.1700; 2800.1750; 2800.1751; 2800.1800; 2800.1900; 2800.2000; 2800.2100; 2800.2150; 2805.0100; 2805.0200; 2805.0300; 2805.0400; 2805.0500; 2805.0600; 2805.0700; 2805.0800; 2805.0900; 2805.1000; 2805.1100; 2805.1300; 2805.1400; 2805.1500; 2805.1600; 2805.1700; 2805.1800; 2805.1900; 2805.2000.

The bill was read for the first time.

Brod moved that S. F. No. 2379 and H. F. No. 2439, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Paulsen from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Supplemental Calendar for the Day for Thursday, May 6, 2004:

S. F. Nos. 1604 and 1192; H. F. Nos. 2136, 2633 and 2762; S. F. Nos. 2222 and 2065; H. F. No. 2577; S. F. No. 2134; H. F. Nos. 2561, 2304, 2027, 2737, 2777, 2915, 2334, 2078, 2087, 2642, 2212, 3061, 2433, 2864, 2439, 2217, 2874, 2609 and 2163; S. F. Nos. 1639 and 2386; and H. F. Nos. 2678, 1801, 2095, 606 and 352.

CALENDAR FOR THE DAY

S. F. No. 2437, A bill for an act relating to farm products; regulating liens and financing statements; establishing filing requirements; setting fees; appropriating money; amending Minnesota Statutes 2002, sections 336A.01; 336A.02; 336A.03; 336A.04; 336A.05; 336A.06; 336A.07; 336A.08; 336A.09; 336A.10; 336A.11, subdivisions 1, 2; 336A.12; 336A.13; proposing coding for new law in Minnesota Statutes, chapter 336A; repealing Minnesota Rules, parts 8265.0100; 8265.0200; 8265.0300; 8265.0400; 8265.0500; 8265.0600.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, I.	Bernardy	Boudreau	Carlson	Davnie
Abrams	Anderson, J.	Biernat	Bradley	Cornish	DeLaForest
Adolphson	Atkins	Blaine	Brod	Cox	Demmer
Anderson, B.	Beard	Borrell	Buesgens	Davids	Dempsey

Dorman	Heidgerken	Koenen	Nelson, C.	Pugh	Swenson
Dorn	Hilstrom	Kohls	Nelson, M.	Rhodes	Sykora
Eastlund	Hilty	Kuisle	Nelson, P.	Rukavina	Thao
Eken	Holberg	Lanning	Newman	Ruth	Thissen
Entenza	Hoppe	Larson	Nornes	Samuelson	Tingelstad
Erhardt	Hornstein	Latz	Olsen, S.	Seagren	Urdahl
Erickson	Howes	Lenczewski	Opatz	Seifert	Vandever
Finstad	Huntley	Lesch	Osterman	Sertich	Wagenius
Fuller	Jacobson	Lieder	Otremba	Severson	Walker
Gerlach	Jaros	Lindgren	Otto	Sieben	Walz
Goodwin	Johnson, J.	Lipman	Ozment	Simpson	Wardlow
Greiling	Johnson, S.	Magnus	Paulsen	Slawik	Wasiluk
Gunther	Juhnke	Mahoney	Paymar	Smith	Westerberg
Haas	Kahn	Marquart	Pelowski	Soderstrom	Westrom
Hackbarth	Kelliher	McNamara	Penas	Solberg	Wilkin
Harder	Klinzing	Mullery	Peterson	Stang	Zellers
Hausman	Knoblach	Murphy	Powell	Strachan	Spk. Sviggum

The bill was passed and its title agreed to.

S. F. No. 1604 was reported to the House.

Samuelson moved to amend S. F. No. 1604 as follows:

Page 4, after line 25, insert:

"Sec. 3. [256B.440] [RECOMMENDATION TO ESTABLISH NEW NURSING FACILITY REIMBURSEMENT SYSTEM.]

Subdivision 1. [IN GENERAL.] The commissioner shall present to the legislature, by January 15, 2005, a recommendation to establish a new nursing facility reimbursement system that provides facility-specific, prospective payment rates for nursing facilities participating in the medical assistance program. The rates shall be determined using a statistical and cost report filed by each nursing facility. The total payment rate shall be composed of four rate components: direct-care services, support services, external fixed, and property-related costs. The payment rate shall be derived from statistical measures of actual costs incurred in the operation of nursing facilities. From this cost basis, the components of the total payment rate shall be adjusted for quality of services provided, actual costs of operation of each facility, geographic variation in labor costs, rental value, and resident acuity.

Subd. 2. [RECOMMENDATION FOR ESTABLISHMENT BEGINNING OCTOBER 1, 2006.] The recommendation in subdivision 1 shall provide for the establishment of all or part of a nursing facility's rates under the new nursing facility reimbursement system beginning on October 1, 2006. Rates shall be rebased annually. Effective January 1, 2005, each cost reporting year shall begin on January 1 and end on the following December 31. A cost report shall be filed by each nursing facility by March 31. Notice of rates shall be distributed by August 1 and the rates shall go into effect on October 1 for one year.

Subd. 3. [REPORTING OF BASELINE STATISTICAL AND COST INFORMATION.] (a) Nursing facilities shall file a baseline statistical and cost report on or before August 31, 2004, for the reporting period ending either September 30, 2003, or December 31, 2003. After July 1, 2004, the report required under Minnesota Rules, part 9549.0041, subpart 1, shall no longer be required. For the period between January 1, 2004, and December 31, 2004, the commissioner may collect statistical and cost information from facilities in no greater detail than items collected from facilities under section 256B.431 or section 256B.434, whichever is applicable, for the year ending September 30, 2003.

(b) All nursing facilities shall provide information to the commissioner in the form and manner specified by the commissioner. The commissioner shall consult with stakeholders in developing the baseline statistical and cost report that will be used to collect all data necessary to develop and model the new nursing facility reimbursement system.

(c) Nursing facilities shall report as costs of the nursing facility only costs directly related to the operation of the nursing facility. The facility shall not include costs that are separately reimbursed by residents, medical assistance, or other payors. The commissioner may grant to facilities one extension of up to ten days for the filing of this report, if the extension is requested by August 1. The commissioner may require facilities to submit separately, in the form and manner specified by the commissioner, documentation of statistical and cost information included in the report, in order to ensure accuracy in modeling payment rates and to perform audit and appeal review functions under this section. Facilities shall retain all records necessary to document statistical and cost information provided in the report for a period of no less than seven years.

(d) The commissioner may reject a report filed by a nursing facility under this section if the commissioner determines that the report has been filed in a form that is incomplete or inaccurate and the information is insufficient to model accurate payment rates. If a report is rejected or is not submitted in a timely manner, the commissioner shall reduce payments to a nursing facility to 85 percent of amounts due until the information is completely and accurately filed. The reinstatement of withheld payments shall be retroactive for no more than 90 days. A nursing facility whose report is rejected shall be given notice of the rejection, the reasons for the rejection, and an opportunity to correct the report prior to any payment reduction. A nursing facility that does not submit a report shall be given a prior written notice of the payment reduction.

(e) The commissioner shall use the baseline statistical and cost report data to model and simulate the new nursing facility reimbursement system. Modeling shall be done using both budget neutrality and additional funding assumptions.

(f) The data set in which statistical and cost reports are compiled shall, upon request, be released by the commissioner, once it has been used for statistical analyses for purposes of modeling rate setting.

(g) The commissioner shall determine, in consultation with stakeholders and experts, methods that shall be used to integrate quality measures into the new nursing facility reimbursement system. For the modeling and simulations of the baseline data, the quality measures shall include, at a minimum:

- (1) direct care hours per standardized resident day;
- (2) staff turnover;
- (3) staff retention;
- (4) use of pool staff;
- (5) proportion of beds in single bed rooms;
- (6) quality indicators from the minimum data set; and
- (7) survey deficiencies.

If data analysis of the modeling and simulations indicates that revisions, deletions, or additional indicators are needed, those modifications shall be made prior to the initial rate year. The quality measures used to determine a component of the payment rates shall be established for a rate year using data submitted in the statistical and cost report from the associated reporting year, and using data from other sources related to the reporting year.

[EFFECTIVE DATE.] This section is effective the day following final enactment."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1604, A bill for an act relating to human services; requiring the commissioner of human services to provide rate notices within certain timelines under certain conditions; requiring a planned nursing facility closure to be budget neutral; amending Minnesota Statutes 2002, sections 256B.431, subdivision 10; 256B.437, subdivision 3.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Hilstrom	Latz	Otto	Soderstrom
Abrams	Demmer	Hilty	Lenczewski	Ozment	Solberg
Adolphson	Dempsey	Holberg	Lesch	Paulsen	Stang
Anderson, B.	Dorman	Hoppe	Lieder	Paymar	Strachan
Anderson, I.	Dorn	Hornstein	Lindgren	Pelowski	Swenson
Anderson, J.	Eastlund	Howes	Lipman	Penas	Sykora
Atkins	Eken	Huntley	Magnus	Peterson	Thao
Beard	Entenza	Jacobson	Mahoney	Powell	Thissen
Bernardy	Erhardt	Jaros	Marquart	Pugh	Tingelstad
Biernat	Erickson	Johnson, J.	McNamara	Rhodes	Urdahl
Blaine	Finstad	Johnson, S.	Mullery	Rukavina	Vandever
Borrell	Fuller	Juhnke	Murphy	Ruth	Wagenius
Boudreau	Gerlach	Kahn	Nelson, C.	Samuelson	Walker
Bradley	Goodwin	Kelliher	Nelson, M.	Seagren	Walz
Brod	Greiling	Klinzing	Nelson, P.	Seifert	Wardlow
Buesgens	Gunther	Knoblach	Newman	Sertich	Wasiluk
Carlson	Haas	Koenen	Nornes	Severson	Westerberg
Cornish	Hackbarth	Kohls	Olsen, S.	Sieben	Westrom
Cox	Harder	Kuisle	Opatz	Simpson	Wilkin
Davids	Hausman	Lanning	Osterman	Slawik	Zellers
Davnie	Heidgerken	Larson	Otremba	Smith	Spk. Sviggum

The bill was passed, as amended, and its title agreed to.

S. F. No. 1192, A bill for an act relating to drivers' licenses; requiring department of public safety to forward information about certain driver's license and identification card applicants to selective service system; amending Minnesota Statutes 2002, section 171.06, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Hilty	Lenczewski	Ozment	Stang
Abrams	Dempsey	Holberg	Lesch	Paulsen	Strachan
Adolphson	Dorman	Hoppe	Lieder	Pelowski	Swenson
Anderson, B.	Dorn	Hornstein	Lindgren	Penas	Sykora
Anderson, I.	Eastlund	Howes	Lipman	Peterson	Thao
Anderson, J.	Eken	Huntley	Magnus	Powell	Thissen
Atkins	Entenza	Jacobson	Mahoney	Pugh	Tingelstad
Beard	Erhardt	Jaros	Marquart	Rhodes	Urdahl
Bernardy	Erickson	Johnson, J.	McNamara	Rukavina	Wagenius
Biernat	Finstad	Johnson, S.	Mullery	Ruth	Walz
Blaine	Fuller	Juhnke	Murphy	Samuelson	Wardlow
Borrell	Gerlach	Kahn	Nelson, C.	Seagren	Wasiluk
Boudreau	Goodwin	Kelliher	Nelson, M.	Seifert	Westerberg
Bradley	Greiling	Klinzing	Nelson, P.	Sertich	Westrom
Brod	Gunther	Knoblach	Newman	Severson	Wilkin
Buesgens	Haas	Koenen	Nornes	Sieben	Zellers
Carlson	Hackbarth	Kohls	Olsen, S.	Simpson	Spk. Sviggum
Cornish	Harder	Kuisle	Opatz	Slawik	
Cox	Hausman	Lanning	Osterman	Smith	
Davids	Heidgerken	Larson	Otremba	Soderstrom	
DeLaForest	Hilstrom	Latz	Otto	Solberg	

The bill was passed and its title agreed to.

H. F. No. 2633, A bill for an act relating to the environment; providing for exemptions from environmental review for ethanol plants; amending Minnesota Statutes 2003 Supplement, section 116D.04, subdivision 2a.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 102 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Abrams	Cornish	Gerlach	Juhnke	Mahoney	Penas
Adolphson	Cox	Goodwin	Klinzing	Marquart	Peterson
Anderson, B.	Davids	Gunther	Knoblach	McNamara	Powell
Anderson, I.	DeLaForest	Haas	Koenen	Nelson, C.	Pugh
Anderson, J.	Demmer	Hackbarth	Kohls	Nelson, M.	Rhodes
Atkins	Dempsey	Harder	Krinkie	Newman	Rukavina
Beard	Dorman	Heidgerken	Kuisle	Nornes	Ruth
Blaine	Dorn	Hilstrom	Lanning	Olsen, S.	Samuelson
Borrell	Eastlund	Hilty	Larson	Opatz	Seagren
Boudreau	Eken	Holberg	Lenczewski	Osterman	Seifert
Bradley	Erhardt	Hoppe	Lieder	Otremba	Sertich
Brod	Erickson	Howes	Lindgren	Ozment	Severson
Buesgens	Finstad	Jacobson	Lipman	Paulsen	Simpson
Carlson	Fuller	Johnson, J.	Magnus	Pelowski	Slawik

Smith	Stang	Sykora	Vanderveer	Wasiluk	Wilkin
Soderstrom	Strachan	Tingelstad	Walz	Westerberg	Zellers
Solberg	Swenson	Urdahl	Wardlow	Westrom	Spk. Sviggum

Those who voted in the negative were:

Abeler	Greiling	Johnson, S.	Mullery	Sieben
Bernardy	Hausman	Kahn	Murphy	Thao
Biernat	Hornstein	Kelliher	Nelson, P.	Thissen
Davnie	Huntley	Latz	Otto	Wagenius
Entenza	Jaros	Lesch	Paymar	Walker

The bill was passed and its title agreed to.

S. F. No. 2065, A bill for an act relating to municipal tort liability; providing immunity from tort liability for a limited partnership in which a community action agency is a general partner; amending Minnesota Statutes 2003 Supplement, section 466.01, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Hilstrom	Latz	Otto	Soderstrom
Abrams	Demmer	Hilty	Lenczewski	Ozment	Solberg
Adolphson	Dempsey	Holberg	Lesch	Paulsen	Stang
Anderson, B.	Dorman	Hoppe	Lieder	Paymar	Strachan
Anderson, I.	Dorn	Hornstein	Lindgren	Pelowski	Swenson
Anderson, J.	Eastlund	Howes	Lipman	Penas	Sykora
Atkins	Eken	Huntley	Magnus	Peterson	Thao
Beard	Entenza	Jacobson	Mahoney	Powell	Thissen
Bernardy	Erhardt	Jaros	Marquart	Pugh	Tingelstad
Biernat	Erickson	Johnson, J.	McNamara	Rhodes	Urdahl
Blaine	Finstad	Johnson, S.	Mullery	Rukavina	Vanderveer
Borrell	Fuller	Juhnke	Murphy	Ruth	Wagenius
Boudreau	Gerlach	Kahn	Nelson, C.	Samuelson	Walker
Bradley	Goodwin	Kelliher	Nelson, M.	Seagren	Walz
Brod	Greiling	Knoblach	Nelson, P.	Seifert	Wardlow
Buesgens	Gunther	Koenen	Newman	Sertich	Wasiluk
Carlson	Haas	Kohls	Nornes	Severson	Westerberg
Cornish	Hackbarth	Krinkie	Olsen, S.	Sieben	Westrom
Cox	Harder	Kuise	Opatz	Simpson	Wilkin
Davids	Hausman	Lanning	Osterman	Slawik	Zellers
Davnie	Heidgerken	Larson	Otremba	Smith	Spk. Sviggum

The bill was passed and its title agreed to.

Paulsen moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by Speaker pro tempore Paulsen.

Magnus was excused for the remainder of today's session.

CALENDAR FOR THE DAY, Continued

H. F. No. 2011 was reported to the House.

Westrom moved to amend H. F. No. 2011 as follows:

Page 1, after line 21, insert:

"Sec. 2. Minnesota Statutes 2002, section 240.30, is amended by adding a subdivision to read:

Subd. 11. [REASONABLE ACCOMMODATION.] For purposes of this section and compliance with chapter 363 and the Americans with Disability Act, a reasonable accommodation includes provision of a person to read cards to a visually impaired person or the provision of braille cards."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Rukavina moved to amend H. F. No. 2011, as amended, as follows:

Page 1, after line 21, insert:

"Sec. 2. Minnesota Statutes 2003 Supplement, section 349.166, subdivision 1, is amended to read:

Subdivision 1. [EXCLUSIONS.] (a) Bingo, with the exception of linked bingo games, may be conducted without a license and without complying with sections 349.168, subdivisions 1 and 2; 349.17, subdivisions 1, 4, and 5; 349.18, subdivision 1; and 349.19, if it is conducted:

(1) by an organization in connection with a county fair, the state fair, or a civic celebration and is not conducted for more than 12 consecutive days and is limited to no more than four separate applications for activities applied for and approved in a calendar year; or

(2) by an organization that conducts four or fewer bingo occasions in a calendar year.

An organization that holds a license to conduct lawful gambling under this chapter may not conduct bingo under this subdivision.

(b) Bingo may be conducted within a nursing home or a senior citizen housing project or by a senior citizen organization if the prizes for a single bingo game do not exceed \$10, total prizes awarded at a single bingo occasion do not exceed \$200, no more than two bingo occasions are held by the organization or at the facility each week, only members of the organization or residents of the nursing home or housing project are allowed to play in a bingo game, no compensation is paid for any persons who conduct the bingo, and a manager is appointed to supervise the bingo. Bingo conducted under this paragraph is exempt from sections 349.11 to 349.23, and the board may not require an organization that conducts bingo under this paragraph, or the manager who supervises the bingo, to register or file a report with the board. The gross receipts from bingo conducted under the limitations of this subdivision are exempt from taxation under chapter 297A.

(c) Raffles may be conducted by an organization or an individual without a license and without complying with sections 349.154 to 349.165 and 349.167 to 349.213 if the value of all raffle prizes awarded by the organization or individual in a calendar year does not exceed \$1,500, and if the net profits of the raffles are expended or contributed pursuant to section 349.12, subdivision 25. The organization or individual must register with the board on a form provided by the board before raffles may be conducted under this paragraph.

(d) Except as provided in paragraph (b), the organization or individual must maintain all required records of excluded gambling activity for 3-1/2 years."

Delete the title and insert:

"A bill for an act relating to gambling; eliminating the maximum table required for card clubs; regulating raffles conducted by certain organizations and individuals; amending Minnesota Statutes 2002, section 240.30, subdivision 8; Minnesota Statutes 2003 Supplement, section 349.166, subdivision 1."

The motion prevailed and the amendment was adopted.

Seagren, Lenczewski and Larson offered an amendment to H. F. No. 2011, as amended.

POINT OF ORDER

Boudreau raised a point of order pursuant to rule 3.21 that the Seagren et al amendment was not in order. The Speaker ruled the point of order well taken and the Seagren et al amendment out of order.

Larson appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 68 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abeler	Buesgens	Fuller	Kuisle	Paulsen	Urdahl
Abrams	Cornish	Gerlach	Lanning	Penas	Walz
Adolphson	Cox	Hackbarth	Lindgren	Ruth	Wardlow
Anderson, B.	Davids	Harder	Lipman	Seifert	Westerberg
Anderson, I.	DeLaForest	Heidgerken	McNamara	Severson	Westrom
Anderson, J.	Demmer	Holberg	Murphy	Simpson	Wilkin
Beard	Dempsey	Hoppe	Nelson, C.	Smith	Zellers
Blaine	Dorman	Howes	Nelson, P.	Soderstrom	Spk. Sviggum
Borrell	Eastlund	Johnson, J.	Newman	Stang	
Boudreau	Erhardt	Klinzing	Nornes	Strachan	
Bradley	Erickson	Kohls	Otremba	Swenson	
Brod	Finstad	Krinkie	Ozment	Sykora	

Those who voted in the negative were:

Atkins	Goodwin	Jaros	Lesch	Otto	Sertich
Bernardy	Greiling	Johnson, S.	Lieder	Paymar	Sieben
Biernat	Gunther	Juhnke	Mahoney	Pelowski	Slawik
Carlson	Haas	Kahn	Mariani	Peterson	Solberg
Davnie	Hausman	Kelliher	Marquart	Powell	Thao
Dill	Hilstrom	Knoblach	Mullery	Pugh	Thissen
Dorn	Hilty	Koenen	Nelson, M.	Rhodes	Tingelstad
Eken	Hornstein	Larson	Olsen, S.	Rukavina	Vandever
Ellison	Huntley	Latz	Opatz	Samuelson	Wagenius
Entenza	Jacobson	Lenczewski	Osterman	Seagren	Walker

So it was the judgment of the House that the decision of the Speaker should stand.

H. F. No. 2011, as amended, was read for the third time.

Kahn moved that H. F. No. 2011, as amended, be re-referred to the Committee on Taxes.

A roll call was requested and properly seconded.

The question was taken on the Kahn motion and the roll was called. There were 48 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Clark	Entenza	Hilty	Johnson, S.	Krinkie
Atkins	Davnie	Goodwin	Hornstein	Juhnke	Larson
Bernardy	Dorn	Greiling	Huntley	Kahn	Latz
Biernat	Eken	Hausman	Jacobson	Kelliher	Lenczewski
Carlson	Ellison	Hilstrom	Jaros	Koenen	Lesch

Lieder	Mullery	Opatz	Paymar	Seagren	Vandevveer
Mahoney	Murphy	Otremba	Pelowski	Thao	Wagenius
Mariani	Nelson, M.	Otto	Peterson	Thissen	Walker

Those who voted in the negative were:

Abeler	Davids	Hackbarth	McNamara	Ruth	Sykora
Abrams	DeLaForest	Harder	Nelson, C.	Samuelson	Tingelstad
Adolphson	Demmer	Heidgerken	Nelson, P.	Seifert	Urdahl
Anderson, B.	Dempsey	Holberg	Newman	Sertich	Walz
Anderson, J.	Dill	Hoppe	Nornes	Severson	Wardlow
Beard	Dorman	Howes	Olsen, S.	Sieben	Wasiluk
Blaine	Eastlund	Johnson, J.	Osterman	Simpson	Westerberg
Borrell	Erhardt	Klinzing	Ozment	Slawik	Westrom
Boudreau	Erickson	Knoblach	Paulsen	Smith	Wilkin
Bradley	Finstad	Kohls	Penas	Soderstrom	Zellers
Brod	Fuller	Kuisle	Powell	Solberg	Spk. Sviggum
Buesgens	Gerlach	Lanning	Pugh	Stang	
Cornish	Gunther	Lindgren	Rhodes	Strachan	
Cox	Haas	Marquart	Rukavina	Swenson	

The motion did not prevail.

H. F. No. 2011, A bill for an act relating to gambling; eliminating the maximum table requirement and providing for reasonable accommodation at card clubs; regulating raffles conducted by certain organizations and individuals; amending Minnesota Statutes 2002, section 240.30, subdivision 8, by adding a subdivision; Minnesota Statutes 2003 Supplement, section 349.166, subdivision 1.

The bill, as amended, was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 70 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Abrams	DeLaForest	Holberg	Marquart	Rukavina	Tingelstad
Adolphson	Demmer	Hoppe	McNamara	Ruth	Urdahl
Anderson, J.	Dorman	Howes	Nelson, P.	Samuelson	Walz
Beard	Dorn	Jaros	Newman	Seifert	Wardlow
Blaine	Erickson	Juhnke	Nornes	Severson	Wasiluk
Boudreau	Finstad	Klinzing	Osterman	Simpson	Westerberg
Bradley	Fuller	Knoblach	Otremba	Soderstrom	Westrom
Brod	Gerlach	Kohls	Ozment	Solberg	Wilkin
Buesgens	Gunther	Kuisle	Paulsen	Stang	Zellers
Cornish	Haas	Lanning	Penas	Strachan	Spk. Sviggum
Cox	Hackbarth	Latz	Powell	Swenson	
Davids	Heidgerken	Lindgren	Rhodes	Sykora	

Those who voted in the negative were:

Abeler	Atkins	Borrell	Davnie	Eastlund	Entenza
Anderson, B.	Bernardy	Carlson	Dempsey	Eken	Erhardt
Anderson, I.	Biernat	Clark	Dill	Ellison	Greiling

Harder	Johnson, J.	Lenczewski	Nelson, C.	Peterson	Thao
Hausman	Johnson, S.	Lesch	Nelson, M.	Pugh	Thissen
Hilstrom	Kahn	Lieder	Olsen, S.	Seagren	Vandevveer
Hilty	Kelliher	Mahoney	Opatz	Sertich	Wagenius
Hornstein	Koenen	Mariani	Otto	Sieben	Walker
Huntley	Krinkie	Mullery	Paymar	Slawik	
Jacobson	Larson	Murphy	Pelowski	Smith	

The bill was passed, as amended, and its title agreed to.

S. F. No. 2181 was reported to the House.

Wilkin moved to amend S. F. No. 2181 as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 2199, the third engrossment:

"Section 1. Minnesota Statutes 2002, section 15A.081, subdivision 8, is amended to read:

Subd. 8. [EXPENSE ALLOWANCE.] Notwithstanding any law to the contrary, positions listed in section 15A.0815, subdivisions 2 and 3, constitutional officers, ~~and~~ the commissioner of Iron Range resources and rehabilitation, and the director of the state lottery are authorized an annual expense allowance not to exceed \$1,500 for necessary expenses in the normal performance of their duties for which no other reimbursement is provided. The expenditures under this subdivision are subject to any laws and rules relating to budgeting, allotment and encumbrance, preaudit and postaudit. The commissioner of finance may adopt rules to assure the proper expenditure of these funds and to provide for reimbursement.

Sec. 2. Minnesota Statutes 2002, section 349A.02, subdivision 1, is amended to read:

Subdivision 1. [DIRECTOR.] A State Lottery is established under the supervision and control of a director. The director of the State Lottery shall be appointed by the governor with the advice and consent of the senate. ~~The director must be qualified by experience and training in the operation of a lottery to supervise the lottery.~~ The director serves in the unclassified service at the pleasure of the governor. The annual salary rate authorized for the director is equal to 95 percent of the salary rate prescribed for the governor.

Sec. 3. Minnesota Statutes 2002, section 349A.10, subdivision 6, is amended to read:

Subd. 6. [BUDGET APPEARANCE; PLANS.] The director shall prepare and submit a biennial budget plan to the commissioner of finance. The governor shall recommend the maximum amount available for the lottery in the budget the governor submits to the legislature under section 16A.11. The maximum amount available to the lottery for operating expenses and capital expenditures shall be determined by law. Operating expenses shall not include expenses that are a direct function of lottery sales, which include the cost of lottery prizes, amounts paid to lottery retailers as sales commissions or other compensation, amounts paid to produce and deliver scratch lottery games, and amounts paid to an outside vendor to operate and maintain an on-line gaming system. In addition, the director shall appear at least once each fiscal year before the senate and house of representatives committees having jurisdiction over gambling policy to present and explain the lottery's budget plans for future games and the related advertising and promotions and spending plans for the next fiscal year.

Sec. 4. Minnesota Statutes 2002, section 349A.15, is amended to read:

349A.15 [REPORT.]

The director shall file an annual report with the governor and legislature which must include a complete statement of lottery revenues, administrative and operating costs, capital expenditures, net proceeds transferred, and other financial transactions for the period the report covers.

Sec. 5. [LOTTERY ORGANIZATION TASK FORCE.]

Subdivision 1. [CREATION; MEMBERSHIP.] A Lottery Organization Task Force is created to study and make recommendations regarding the future organization and profitability of the State Lottery. The task force is composed of seven members, to be appointed as follows:

- (1) the commissioner of natural resources, or the commissioner's designee;
- (2) the commissioner of finance, or the commissioner's designee;
- (3) one member of the house of representatives, to be appointed by the speaker;
- (4) one member of the senate, to be appointed by the senate majority leader;
- (5) the director of the State Lottery; and
- (6) two members to be appointed by the governor.

Subd. 2. [CHARGE; REPORT.] (a) The task force shall examine the State Lottery and consider whether the State Lottery should:

- (1) become part of another existing state agency;
- (2) be accountable to an oversight board or commission to be created for that purpose;
- (3) continue under its current organizational structure; or
- (4) operate under other governance structures that provide appropriate oversight and accountability.

(b) The task force shall also examine the feasibility and desirability of establishing measurable performance goals for lottery proceeds and operations.

(c) The task force shall submit a report with its findings and recommendations to the legislature and the governor by February 1, 2005.

Subd. 3. [SUNSET.] The task force expires upon the adjournment of the 2005 regular legislative session.

Sec. 6. Laws 2003, First Special Session chapter 1, article 1, section 23, is amended to read:

Sec. 23. [STATE LOTTERY.]

Notwithstanding Minnesota Statutes, section 349A.10, the operating budget must not exceed ~~\$43,538,000~~ \$27,419,000 in fiscal year 2004 and ~~\$43,538,000~~ \$27,419,000 in fiscal year 2005

~~and thereafter. The savings must be transferred 60 percent to the general fund in the state treasury and 40 percent to the Minnesota environment and natural resources trust fund in the state treasury.~~

Sec. 7. [REPEALER.]

Minnesota Statutes 2002, section 349A.02, subdivision 2, is repealed.

Sec. 8. [EFFECTIVE DATE.]

This act is effective the day following final enactment. Sections 2 and 7 apply to the appointment of a director of the State Lottery made on or after January 1, 2004.

Delete the title and insert:

"A bill for an act relating to the State Lottery; amending provisions relating to the director; providing for review and approval of lottery budget; creating a task force and requiring a report; amending Minnesota Statutes 2002, sections 15A.081, subdivision 8; 349A.02, subdivision 1; 349A.10, subdivision 6; 349A.15; Laws 2003, First Special Session chapter 1, article 1, section 23; repealing Minnesota Statutes 2002, section 349A.02, subdivision 2."

The motion prevailed and the amendment was adopted.

The Speaker called Abrams to the Chair.

Lipman was excused for the remainder of today's session.

Otto moved to amend S. F. No. 2181, as amended, as follows:

Page 2, after line 36, insert:

"Sec. 5. [349A.17] [LOTTERY SERVICE BUSINESS.]

Subdivision 1. [DEFINITION.] For purposes of this section "lottery service business" means a commercial enterprise that for a fee or commission purchases lottery tickets on behalf of customers or subscribers.

Subd. 2. [PROHIBITION.] A lottery service business may not accept any form of payment for any product or service it offers other than cash, check, or money order.

Subd. 3. [VIOLATION.] A violation of subdivision 2 is a gross misdemeanor."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Otto amendment and the roll was called. There were 61 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorn	Jaros	Mahoney	Pelowski	Thissen
Anderson, I.	Eken	Johnson, S.	Mariani	Peterson	Tingelstad
Atkins	Ellison	Juhnke	Marquart	Pugh	Urdahl
Bernardy	Entenza	Kahn	Mullery	Rhodes	Wagenius
Biernat	Goodwin	Kelliher	Murphy	Rukavina	Walker
Brod	Greiling	Koenen	Nelson, M.	Samuelson	Wasiluk
Carlson	Hausman	Larson	Opatz	Sertich	
Clark	Hilstrom	Latz	Osterman	Sieben	
Davnie	Hilty	Lenczewski	Otremba	Slawik	
Dill	Hornstein	Lesch	Otto	Solberg	
Dorman	Huntley	Lieder	Paymar	Thao	

Those who voted in the negative were:

Abrams	Davids	Hackbarth	Kuisle	Powell	Vandever
Adolphson	DeLaForest	Harder	Lanning	Ruth	Walz
Anderson, B.	Demmer	Heidgerken	Lindgren	Seagren	Wardlow
Anderson, J.	Dempsey	Holberg	McNamara	Seifert	Westerberg
Beard	Eastlund	Hoppe	Nelson, C.	Severson	Westrom
Blaine	Erhardt	Howes	Nelson, P.	Simpson	Wilkin
Borrell	Erickson	Jacobson	Newman	Smith	Zellers
Boudreau	Finstad	Johnson, J.	Nornes	Soderstrom	Spk. Sviggum
Bradley	Fuller	Klinzing	Olsen, S.	Stang	
Buesgens	Gerlach	Knoblach	Ozment	Strachan	
Cornish	Gunther	Kohls	Paulsen	Swenson	
Cox	Haas	Krinkie	Penas	Sykora	

The motion did not prevail and the amendment was not adopted.

Otto moved to amend S. F. No. 2181, as amended, as follows:

Page 2, after line 36, insert:

"Sec. 5. [349A.17] [LOTTERY SERVICE BUSINESS.]

Subdivision 1. [DEFINITION.] For purposes of this section "lottery service business" means a commercial enterprise that for a fee or commission purchases lottery tickets on behalf of customers or subscribers.

Subd. 2. [REQUIRED STATEMENTS.] (a) A lottery service business must, in all print advertising in any medium published by the service or on its behalf, and in all print communications intended to solicit members, including internet solicitations, for each lottery product or service offered, include a clear and prominent statement which lists the cost of a lottery ticket provided through the lottery service business compared with the actual costs of a lottery ticket purchased from a lottery retailer. Before a required statement may be published, the format, font size, placement, clarity and prominence of a required statement must be approved by the director. In each instance when a lottery service business changes its costs such that the per lottery ticket price changes, the business must submit a draft of the required statement for approval by the director. The business's per-ticket price for tickets

purchased for a pool must be calculated by multiplying the member costs paid to a lottery service business by the number of persons in the pool and dividing the product by the total number of lottery tickets purchased on behalf of the lottery pool. The per-ticket price for a lottery ticket purchased from a lottery retailer is the price set for that ticket by the director.

(b) All advertising and solicitation described in paragraph (a) must contain the following statement in clear and readable type: "This business is not affiliated with and is not an agent of the Minnesota state lottery. The Minnesota state lottery is not responsible for paying any prize to any person other than the possessor of a winning ticket."

Subd. 3. [VIOLATION.] A violation of subdivision 2 is a gross misdemeanor."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Otto amendment and the roll was called. There were 56 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Ellison	Jaros	Lieder	Paymar	Thissen
Atkins	Entenza	Johnson, S.	Mahoney	Pelowski	Tingelstad
Bernardy	Goodwin	Juhnke	Mariani	Peterson	Vandevveer
Biernat	Greiling	Kahn	Marquart	Pugh	Wagenius
Carlson	Hausman	Kelliher	Mullery	Rukavina	Walker
Clark	Hilstrom	Koenen	Murphy	Sertich	Wasiluk
Davnie	Hilty	Larson	Nelson, M.	Sieben	
Dill	Hornstein	Latz	Opatz	Slawik	
Dorn	Huntley	Lenczewski	Otremba	Solberg	
Eken	Jacobson	Lesch	Otto	Thao	

Those who voted in the negative were:

Abeler	Cox	Haas	Lanning	Rhodes	Urdahl
Abrams	Davids	Hackbarth	Lindgren	Ruth	Walz
Adolphson	DeLaForest	Harder	McNamara	Samuelson	Wardlow
Anderson, B.	Demmer	Heidgerken	Nelson, C.	Seagren	Westerberg
Anderson, J.	Dempsey	Holberg	Nelson, P.	Seifert	Westrom
Beard	Dorman	Hoppe	Newman	Severson	Wilkin
Blaine	Eastlund	Howes	Nornes	Simpson	Zellers
Borrell	Erhardt	Johnson, J.	Olsen, S.	Smith	Spk. Sviggum
Boudreau	Erickson	Klinzing	Osterman	Soderstrom	
Bradley	Finstad	Knoblach	Ozment	Stang	
Brod	Fuller	Kohls	Paulsen	Strachan	
Buesgens	Gerlach	Krinkie	Penas	Swenson	
Cornish	Gunther	Kuisle	Powell	Sykora	

The motion did not prevail and the amendment was not adopted.

Carlson moved to amend S. F. No. 2181, as amended, as follows:

Page 3, line 6, delete "seven" and insert "nine"

Page 3, delete lines 11 to 14 and insert "(3) two members of the house of representatives, one to be appointed by the speaker and one to be appointed by the minority leader;

(4) two members of the senate, one to be appointed by the senate majority leader and one to be appointed by the minority leader;"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

S. F. No. 2181, A bill for an act relating to the State Lottery; amending provisions relating to the director; creating a task force and requiring a report; amending Minnesota Statutes 2002, section 349A.02, subdivision 1; repealing Minnesota Statutes 2002, section 349A.02, subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Heidgerken	Larson	Paulsen	Swenson
Abrams	Demmer	Hilstrom	Latz	Paymar	Sykora
Adolphson	Dempsey	Hilty	Lenczewski	Pelowski	Thao
Anderson, B.	Dill	Holberg	Lesch	Penas	Thissen
Anderson, I.	Dorman	Hoppe	Lieder	Peterson	Tingelstad
Anderson, J.	Dorn	Hornstein	Lindgren	Powell	Urdahl
Atkins	Eastlund	Howes	Mahoney	Pugh	Vandever
Beard	Eken	Huntley	Mariani	Rhodes	Wagenius
Bernardy	Ellison	Jacobson	Marquart	Ruth	Walker
Biernat	Entenza	Jaros	McNamara	Samuelson	Walz
Blaine	Erhardt	Johnson, J.	Murphy	Seagren	Wardlow
Borrell	Erickson	Johnson, S.	Nelson, C.	Seifert	Wasiluk
Boudreau	Finstad	Juhnke	Nelson, M.	Sertich	Westerberg
Bradley	Fuller	Kahn	Nelson, P.	Severson	Westrom
Brod	Gerlach	Kelliher	Newman	Sieben	Wilkin
Buesgens	Goodwin	Klinzing	Nornes	Simpson	Zellers
Carlson	Greiling	Knoblach	Olsen, S.	Slawik	Spk. Sviggum
Clark	Gunther	Koenen	Opatz	Smith	
Cornish	Haas	Kohls	Osterman	Soderstrom	
Cox	Hackbarth	Krinkie	Otremba	Solberg	
Davids	Harder	Kuisle	Otto	Stang	
Davnie	Hausman	Lanning	Ozment	Strachan	

Those who voted in the negative were:

Rukavina

The bill was passed, as amended, and its title agreed to.

S. F. No. 2134 was reported to the House.

Bradley moved to amend S. F. No. 2134 as follows:

Page 4, line 2, before "62A.16" insert "62A.146." and before "and" insert "62A.65, subdivision 5, paragraph (b)."

The motion prevailed and the amendment was adopted.

Bradley moved that S. F. No. 2134, as amended, be continued on the Calendar for the Day. The motion prevailed.

The Speaker resumed the Chair.

S. F. No. 2222, A resolution memorializing Minnesota's Congressional Delegation to authorize an increase in the existing Boundary Waters Canoe Area Wilderness (BWCAW) reservation fee to be allocated to Minnesota's Permanent School Fund.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Hausman	Lanning	Otremba	Soderstrom
Adolphson	Demmer	Heidgerken	Larson	Otto	Solberg
Anderson, B.	Dempsey	Hilstrom	Latz	Ozment	Stang
Anderson, I.	Dill	Hilty	Lenczewski	Paymar	Strachan
Anderson, J.	Dorman	Hoppe	Lesch	Pelowski	Swenson
Atkins	Dorn	Hornstein	Lieder	Penas	Sykora
Beard	Eastlund	Howes	Lindgren	Peterson	Thao
Bernardy	Eken	Huntley	Mahoney	Powell	Thissen
Biernat	Ellison	Jacobson	Mariani	Pugh	Tingelstad
Blaine	Entenza	Jaros	Marquart	Rhodes	Urdahl
Borrell	Erhardt	Johnson, J.	McNamara	Rukavina	Vandevveer
Boudreau	Erickson	Johnson, S.	Mullery	Ruth	Wagenius
Bradley	Finstad	Juhnke	Murphy	Samuelson	Walker
Brod	Fuller	Kahn	Nelson, C.	Seagren	Walz
Buesgens	Gerlach	Kelliher	Nelson, M.	Seifert	Wardlow
Carlson	Goodwin	Klinzing	Nelson, P.	Sertich	Wasiluk
Clark	Greiling	Knoblach	Newman	Severson	Westerberg
Cornish	Gunther	Koenen	Nornes	Sieben	Westrom
Cox	Haas	Kohls	Olsen, S.	Simpson	Wilkin
Davids	Hackbarth	Krinkie	Opatz	Slawik	Zellers
Davnie	Harder	Kuisle	Osterman	Smith	Spk. Sviggum

The bill was passed and its title agreed to.

H. F. No. 2027, A bill for an act relating to human services; providing an exemption to the moratorium on nursing home construction; amending Minnesota Statutes 2003 Supplement, section 144A.071, subdivision 4c.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Davnie	Hausman	Lanning	Otremba	Smith
Abrams	DeLaForest	Heidgerken	Larson	Otto	Soderstrom
Adolphson	Demmer	Hilstrom	Latz	Ozment	Solberg
Anderson, B.	Dempsey	Hilty	Lenczewski	Paulsen	Stang
Anderson, I.	Dill	Hoppe	Lesch	Paymar	Strachan
Anderson, J.	Dorman	Hornstein	Lieder	Pelowski	Swenson
Atkins	Dorn	Howes	Lindgren	Penas	Thao
Beard	Eastlund	Huntley	Mahoney	Peterson	Thissen
Bernardy	Eken	Jacobson	Mariani	Powell	Tingelstad
Biernat	Entenza	Jaros	Marquart	Pugh	Urdahl
Blaine	Erhardt	Johnson, J.	McNamara	Rhodes	Vandever
Borrell	Erickson	Johnson, S.	Mullery	Rukavina	Wagenius
Boudreau	Finstad	Juhnke	Murphy	Ruth	Walker
Bradley	Fuller	Kahn	Nelson, C.	Samuelson	Walz
Brod	Gerlach	Kelliher	Nelson, M.	Seagren	Wardlow
Buesgens	Goodwin	Klinzing	Nelson, P.	Seifert	Wasiluk
Carlson	Greiling	Knoblach	Newman	Sertich	Westerberg
Clark	Gunther	Koenen	Nornes	Severson	Westrom
Cornish	Haas	Kohls	Olsen, S.	Sieben	Wilkin
Cox	Hackbarth	Krinkie	Opatz	Simpson	Zellers
Dauids	Harder	Kuisle	Osterman	Slawik	Spk. Sviggum

The bill was passed and its title agreed to.

Paulsen moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Abrams announced his intention to place H. F. No. 3081 on the Fiscal Calendar for Monday, May 10, 2004.

ADJOURNMENT

Paulsen moved that when the House adjourns today it adjourn until 12:00 noon, Friday, May 7, 2004. The motion prevailed.

Paulsen moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Friday, May 7, 2004.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

